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4 September 1959

**MEMORANDUM FOR: Mr. D. J. Clinton, NIS Committee Member,**  
**Department of State**  
**SUBJECT: Proposals relative to non-bloc Sections 64**

1. The subject proposals as outlined in your 28 January 1959 memorandum were examined in detail, primarily with respect to use of a Section 64 supplement for the more industrialized non-bloc countries, at a 1 September meeting of the ad hoc committee established at NIS Committee meeting No. 253. The eleven participants represented State, ACSI, ONI, AFGEN, and OBI.

2. It has been reported to me there was general agreement that late delays in completing State segments has resulted for some time in an unacceptable situation in production of non-bloc Sections 64. There was no indication of present prospect for improvement in this situation. In view of these circumstances the Defense contributors agreed that modification in the existing format and production arrangements for non-bloc Sections 64 would facilitate the production of their contributions and expedite the availability to users of the specialized section 64 topics for which these Defense agencies are responsible.

3. It is evident that the proposed supplement treatment for industrialized countries would be of a major change in existing arrangements and that agreement in principle to this change requires certain firm understandings. A principal objective must be maintenance of the fundamental principle that the NIS provides users with coordinated and integrated basic intelligence. In my view it would be reasonable, under existing circumstances, for the NIS Committee to accept in principle the proposed use of a supplement to Sections 64, for 20 or so of the more industrialized non-bloc countries, provided:

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NO CHANGE IN SECT? ☐  
 APPROVED NO

a. State, with the benefit of the economies in effort which have been forecast for the proposed procedures, assures its ability to produce on schedule at the commitment rate of six Sections 64 per year. Which of these would be on areas considered to require supplement treatment would be jointly determined in advance in terms of requirements and production capabilities.

b. During the phase of transition to this new approach, all segments of Sections 64 scheduled for production on a supplement basis in a given year will be submitted to OBI within the span of that year. In subsequent Maintenance, sections of a published supplement could be, subject to normal NIS Committee approval of scheduling, individually produced and published.

c. Proposed changes in the existing outline for coverage of manufacturing for the more industrialized countries, and procedures for all phases of production and processing, will be developed in detail and jointly agreed to before production on a supplement basis is initiated. Among the considerations to be provided for will be assurance of adequately comprehensive treatment in individual Defense agency contributions for a supplement, and suitable and adequately coordinated Section 64 "over-view" contributions by State, including provision for those cases where certain topics may be deemed not to require treatment in individual supplement sections.

4. I suggest that at this time you, in collaboration with the Defense agencies, provide detailed drafts of proposed outlines and content requirements for Section 64 and the full range of individual sections of the supplement which might be required for a major industrialized NIS area. The ad hoc committee can then be reconvened to jointly consider these recommendations and any suggested modifications in procedures, for report to the NIS Committee.

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5. In forwarding these comments to you, my responsibilities as Coordinator of the NIS Program require me to stress the fundamental importance of maintaining NIS standards of substantive quality and coordination, the fact that the proposed course of action essentially is in response to regrettable existing circumstances, and the continuing requirement within State to improve the present situation through more adequate staffing and utilization of staff for NIS production in the important field of economic intelligence.

  
Chairman, NIS Committee

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cc to:

Mr. J. A. Minogue, Army NIS Committee Member  
Capt. T. M. Peterson, Navy NIS Committee Member  
Lt. Col. H. K. Avery, Air Force NIS Committee Member  
Col. L. M. Marr, Joint Staff Advisory Member to NIS Committee

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